

## House Republican Press Release

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Press Office: 860-240-8700

### Rep. Labriola Slams Budget Proposal



Early today, State Representative David Labriola, R-Naugatuck, voted against a state budget package that would increase spending by more than 12 percent and hikes state taxes by \$738 million during the next two years. The budget was approved by the House of Representatives in a 100-50 vote and is expected to be

debated by the State Senate later today.

Rep. Labriola noted that despite having a \$700 million state surplus, the spending plan still raises taxes. He added that Connecticut remains one of the most heavily taxed states in the nation. Connecticut citizens wait until May 5 to reach their own “tax freedom” day. The term refers to the number of days the average resident will have worked to his/her total tax bill. The day after that time period is called “Tax Freedom Day” and Connecticut’s date is the latest of any state.

“With a \$700 million surplus, it’s outrageous that taxes have increased. They should be cut,” said Rep. Labriola. “Instead of making any real reductions to spending, the majority party is clearly proving they do not have any desire to make structural changes to government to provide the tax relief Connecticut residents need.”

Without an emergency declaration by Governor Rell, the budget would exceed the constitutional spending cap by more than \$200 million for the next two fiscal years. The cap was approved by more than 80 percent of state voters in 1992. Also, spending in the current fiscal year exceeds the cap by millions of dollars, violating the cap for a total of three years.

One of the most disturbing aspects of this budget is that there is no critical analysis of state government, said Labriola. All agency and departments start with current services and funding even if the funds are used inefficiently. “There is an incredible lack of accountability,” said Labriola.

The budget also uses a number of gimmicks and one-time revenues to pay for ongoing expenses, said Rep. Labriola. For example, of the \$700 million surplus, \$650 million is used to pay for ongoing expenses. Meanwhile the tax increases, which focus on estate taxes and corporate surcharge, will harm the state’s economy.

“These tax hikes serve a disincentive to operating a business in Connecticut,” said Rep. Labriola. “The corporate surcharge will hurt companies in the short run and the entire state in the long run.”